SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

Filing at a Glance

Company: 78910 - Arkansas Mutual Insurance Company

Product Name: n/a	SERFF Tr Num: ARKS-125960523	State: Arkansas
TOI: 11.1 Medical Malpractice - Claims Made Only	SERFF Status: Closed	State Tr Num: #1125
Sub-TOI: 11.1023 Physicians & Surgeons	Co Tr Num: TBD	State Status: Fees verified and received
Filing Type: Form	Co Status:	Reviewer(s): Betty Montesi, Edith Roberts
	Author:	Disposition Date: 12/22/2008
	Date Submitted: 12/22/2008	Disposition Status: Approved
Effective Date Requested (New):		Effective Date (New):
Effective Date Requested (Renewal):		Effective Date (Renewal):

State Filing Description:

ck # 1125 $150 for rates and forms

General Information

Project Name:	Status of Filing in Domicile:
Project Number:	Domicile Status Comments:
Reference Organization:	Reference Number:
Reference Title:	Advisory Org. Circular:
Filing Status Changed: 12/22/2008	
State Status Changed: 12/22/2008	Deemer Date:

Corresponding Filing Tracking Number:

Filing Description:

Company and Contact

Filing Contact Information

NA NA,	NA@NA.com

SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

NA
NA, AR 00000
(123) 555-4567 [Phone]

Filing Company Information

78910 - Arkansas Mutual Insurance Company	CoCode: 78910	State of Domicile: Arkansas
11300 North Rodney Parham Rd	Group Code:	Company Type: Property & Casualty
Suite 220		
Little Rock, AR 72212	Group Name:	State ID Number:
(501) 716-9193 ext. [Phone]	FEIN Number: 26-2859106	

SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

Filing Fees

Fee Required?	No
Retaliatory?	No
Fee Explanation:	
Per Company:	No

SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Edith Roberts	12/22/2008	12/22/2008

SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

Disposition

Disposition Date: 12/22/2008
Effective Date (New):
Effective Date (Renewal):
Status: Approved
Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

Item Type	Item Name	Item Status	Public Access
Supporting Document	Uniform Transmittal Document-Property & Casualty	Approved	Yes
Supporting Document	ARKS-125960523		Yes

SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

Rate Information

Rate data does NOT apply to filing.

SERFF Tracking Number:	*ARKS-125960523*	*State:*	*Arkansas*
Filing Company:	*78910 - Arkansas Mutual Insurance Company*	*State Tracking Number:*	*#1125*
Company Tracking Number:	*TBD*		
TOI:	*11.1 Medical Malpractice - Claims Made Only*	*Sub-TOI:*	*11.1023 Physicians & Surgeons*
Product Name:	*n/a*		
Project Name/Number:	*/*		

Supporting Document Schedules

Unsatisfied -Name: Uniform Transmittal Document-Property & Casualty

Review Status: Approved 12/22/2008

Comments:

Satisfied -Name: ARKS-125960523

Review Status: 12/22/2008

Comments:

Attachments:

ARKS-125960523.pdf

ARKS-125960523-1.pdf

ARKS-125960523

Dept. Copy

Approved until withdrawn or revoked
Approved until withdrawn or revoked
Dec 19 2008
Arkansas Insurance Department
By:
Arkansas Insurance Department

FIRST CLASS MAIL CASUALTY
ARKANSAS INSURANCE DEPT.

Form Copy

Edith Roberts

From: Pam Greene [pam.greene@arkansasmutual.com]
Sent: Monday, July 14, 2008 10:40 AM
To: Edith Roberts
Cc: Bill Lacy; Kimberly Johnson; Brenda Haggard; Lars Powell; Corey Little
Subject: RE: Filing Submission - Rate/Rules/Forms - AR Mutual Ins. Co.
Attachments: AMIC FINAL Policy 7.14.08 rate file.docx; AMIC FINAL Rates-Rules doc 7.14.08.docx

Good morning to you, Edith.
I have made the requested changes, making our filing compliant with the 60 days to exercise optional ERP, and taking out the restrictive language on Page 12 of the rules.
Please find attached the two corrected documents.
If submitting these corrected documents electronically is not sufficient, and if for some reason we should deliver hard copies, just let me know, and I'll be happy to drop them off.
Thanks for your "speedy" turn around!
Pam Greene

From: Edith Roberts [mailto:Edith.Roberts@arkansas.gov]
Sent: Monday, July 14, 2008 8:27 AM
To: pam.greene@arkansasmutual.com
Cc: Bill Lacy; Kimberly Johnson; Brenda Haggard
Subject: Filing Submission - Rate/Rules/Forms - AR Mutual Ins. Co.

Good Morning, Pam!

I just left you a voice mail and if you have time, can you give me a call? There are just two minor changes that need to be done and I thought maybe if we talk it would expedite things.

I will be out of town and out of the office from July 18 until Aug 4. I just wanted you to know so we can get this finalized before I leave.

Please look at these three different sections of the filings:

- Page 9 of the Form Filing, Form # AM08 001, 07/08/2008, second paragraph, last sentence.
- Page 5 of Rule Section, RUL001, first paragraph
- Page 12 of Rule Section, RUL001, "NOTE:..." at bottom of page.

These three items all have the same problem. They state that the insured must have paid "all premiums earned during the policy period and must be exercised (the request for the Extended Reporting Period) by the insured...no later than thirty (30) days after such termination.

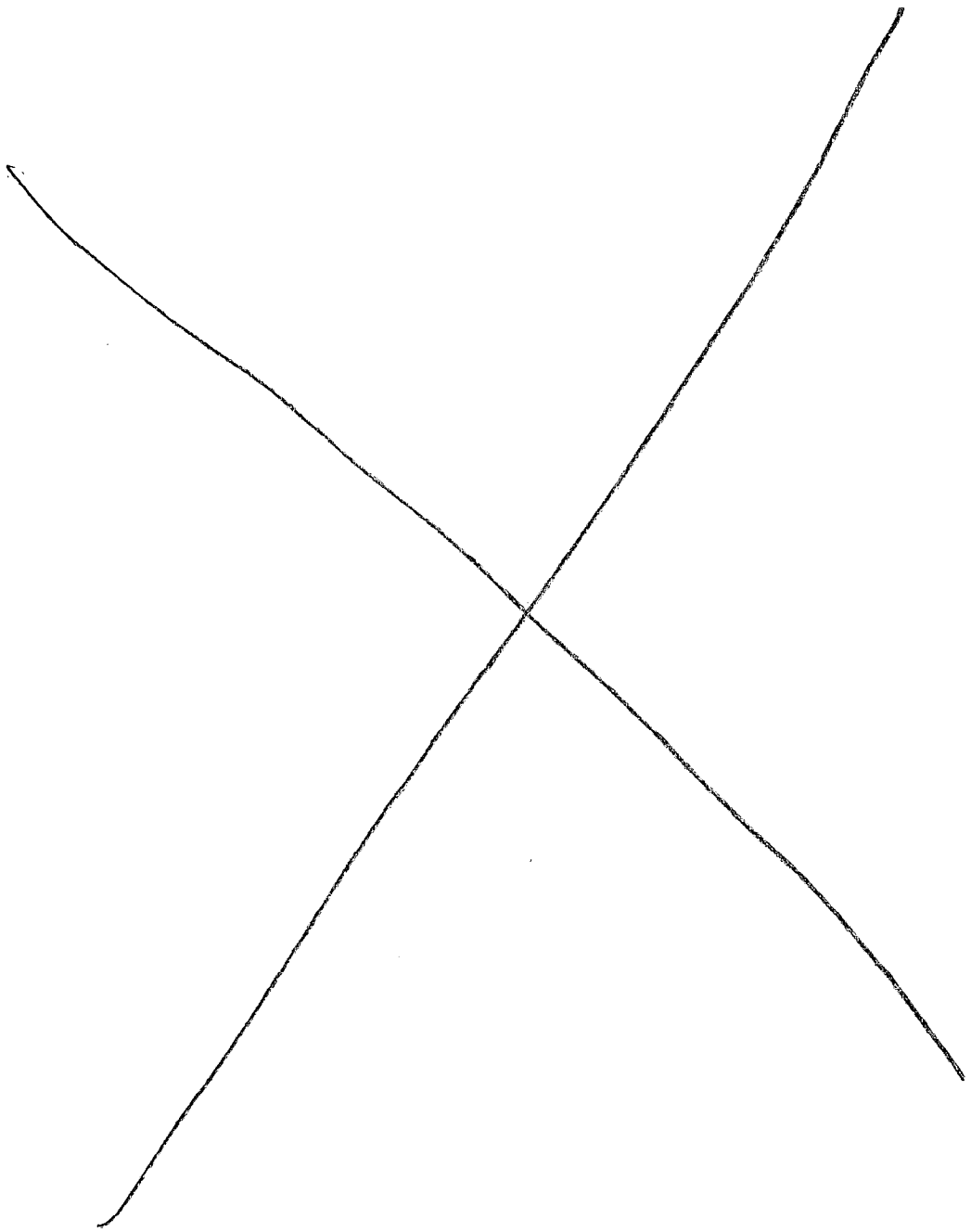
AR Code Anno. 23-79-306 (1-6) addresses the basic and optional Extended Reporting Periods. These ERPs may not be refused either for cancellation/termination for non-payment of premium, or premiums or deductibles owed. You have the right to pursue collection, but may not refuse these mandatory coverages. Also, if payment is received to purchase the optional extended reporting period, that payment must be applied to place the optional extended reporting period coverage into effect, rather than first applied to any monies owed on the terminating policy. The ERPs may only be refused in a situation of termination back to date of inception for non-payment as in a flat cancellation making coverage void from inception.

Also, you must allow 60 days, rather than 30 to request the optional ERP.

These are the only changes that need to be made. If you will remove this language and change the "30" day reference to "60" days in the paragraph on Pages 9 and 5, and remove the "Note:..." in it's entirity on page 12, everything else if ready to go!

Please give me a call or an email acknowledgment, so I will know you have received this!

Thanks,
Edith.



Effective March 1, 2007

Property & Casualty Transmittal Document

Reset Form

1. Reserved for Insurance Dept. Use Only	2. Insurance Department Use only
	a. Date the filing is received:
	b. Analyst:
	c. Disposition:
	d. Date of disposition of the filing:
	e. Effective date of filing:
	New Business
	Renewal Business
	f. State Filing #:
	g. SERFF Filing #:
	h. Subject Codes

3.	Group Name	Group NAIC #
	N/A	NA

4.	Company Name(s)	Domicile	NAIC #	FEIN #	State #
	Arkansas Mutual Insurance Company	Arkansas	TBD	26-2859106	26-2859106

5.	Company Tracking Number	TBD

Contact Info of Filer(s) or Corporate Officer(s) [include toll-free number]

6.	Name and address	Title	Telephone #s	FAX #	e-mail
	M. Corey Little	CEO	501-716-9190	501-716-9193	corey.little@arkansasmutual.com
7.	Signature of authorized filer				
8.	Please print name of authorized filer		M. Corey Little		

Filing information (see General Instructions for descriptions of these fields)

9.	**Type of Insurance (TOI)**	11.1 Med Mal-Claims Made Only
10.	**Sub-Type of Insurance (Sub-TOI)**	11.1023 Physicians & Surgeons
11.	**State Specific Product code(s)**(if applicable)[See State Specific Requirements]	
12.	**Company Program Title** (Marketing title)	
13.	**Filing Type**	☐ Rate/Loss Cost ☐ Rules ☐ Rates/Rules ☐ Forms ☑ Combination Rates/Rules/Forms ☐ Withdrawal ☐ Other (give description)
14.	**Effective Date(s) Requested**	New: August 1, 2008 Renewal:
15.	**Reference Filing?**	☐ Yes ☑ No
16.	**Reference Organization** (if applicable)	
17.	**Reference Organization # & Title**	
18.	**Company's Date of Filing**	7-08-08
19.	**Status of filing in domicile**	☐ Not Filed ☐ Pending ☐ Authorized ☐ Disapproved

Property & Casualty Transmittal Document—

20.	This filing transmittal is part of Company Tracking #	TBD

21.	Filing Description [This area can be used in lieu of a cover letter or filing memorandum and is free-form text]

This is the initial rate/rules/form filing of Arkansas Mutual Insurance Company.
Please see our cover letter.

View Complete Filing Description

22.	Filing Fees (Filer must provide check # and fee amount if applicable) [If a state requires you to show how you calculated your filing fees, place that calculation below]

Check #: 1125
Amount: $ 150.00

Refer to each state's checklist for additional state specific requirements or instructions on calculating fees.

***Refer to the each state's checklist for additional state specific requirements (i.e. # of additional copies required, other state specific forms, etc.)**

Effective March 1, 2007

FORM FILING SCHEDULE

(This form must be provided ONLY when making a filing that includes forms)

(Do not refer to the body of the filing for the forms listing, unless allowed by state.)

1.	**This filing transmittal is part of Company Tracking #**	TBD
2.	**This filing corresponds to rate/rule filing number** (Company tracking number of rate/rule filing, if applicable)	0001 (Initial filing)

3.	Form Name /Description/Synopsis	Form # Include edition date	Replacement Or withdrawn?	If replacement, give form # it replaces	Previous state filing number, if required by state
01	POLICY	AM08 001 07/08/2008	☑ New ☐ Replacement ☐ Withdrawn		
02			☐ New ☐ Replacement ☐ Withdrawn		
03			☐ New ☐ Replacement ☐ Withdrawn		
04			☐ New ☐ Replacement ☐ Withdrawn		
05			☐ New ☐ Replacement ☐ Withdrawn		
06			☐ New ☐ Replacement ☐ Withdrawn		
07			☐ New ☐ Replacement ☐ Withdrawn		
08			☐ New ☐ Replacement ☐ Withdrawn		
09			☐ New ☐ Replacement ☐ Withdrawn		
10			☐ New ☐ Replacement ☐ Withdrawn		

PC FFS-1

Arkansas Mutual Insurance Company
11300 North Rodney Parham Road, Ste. 220
Little Rock, AR 72212

ARKANSAS MUTUAL INSURANCE COMPANY
MEDICAL PROFESSIONAL INSURANCE POLICY

IMPORTANT INFORMATION

The Medical Professional Liability coverage contained in Coverages A and B of this policy is **modified claims-made** coverage. It covers only those **medical incidents** arising out of **professional services** or **peer review services** rendered, or which should have been rendered, after the retroactive date shown in the **declarations** and which are first **reported** during the **policy period**. Terms appearing in bold face print are defined in their respective parts. Please review this policy carefully.

This policy is non-assessable. The premiums specified in the declarations and in the endorsements forming a part of this policy are the only premiums for which the **named insured** will be liable.

In consideration of the payment of the premium, in reliance upon the statements and representations in the application for insurance and the **declarations** made a part hereof and subject to all the terms of this policy, Arkansas Mutual Insurance Company, hereinafter called "the Company," agrees with the **named insured** as follows:

PROFESSIONAL LIABILITY INSURANCE

SECTION 1. COVERAGE AGREEMENTS

The Company will pay on behalf of the **insured** all sums which the insured shall become legally obligated to pay as **damages** because of:

Coverage A - Individual Professional Liability - Any **medical incident** which occurs after the **retroactive date** and which is first **reported** during the **policy period**.

Coverage B - Partnership, Professional Corporation, Professional Limited Liability Company ("PLLC") or Professional Association Liability - Any **medical incident** which occurs after the **retroactive date** and which is first **reported** during the **policy period**.

Coverage C - Extender Employee Professional Liability - Any **medical incident** which occurs during the **policy period**.

The Company shall have the right and duty to:

(a) defend any suit, for which this insurance applies, against the **insured** seeking **damages**, even if any of the allegations are groundless, false or fraudulent;

(b) select defense counsel; and

(c) investigate and settle any **medical incident** that it deems appropriate, provided that no settlement will be made without the **insured's** consent.

The Company shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of liability of this policy has been exhausted.

SECTION 2. EXCLUSIONS

This insurance does not apply:

Under Coverage A - Individual Professional Liability:

(a) To liability of any **insured** as a member, partner, officer, director (other than medical director while providing **peer review services**) or shareholder of any partnership, professional corporation, PLLC, professional association or other legal entity;

(b) To liability of any **insured** as an owner, director (other than medical director while providing **peer review services**), officer, trustee, superintendent or administrator, of any hospital, sanitarium, clinic with bed and board facilities, nursing home, ambulatory surgery center, laboratory, managed care organization, health maintenance organization, preferred provider organization, exclusive provider organization or other similar health care entity, or other business enterprise; but this exclusion does not apply with respect to an x-ray or pathology laboratory if the **insured** is a radiologist or pathologist;

(c) To liability assumed by any **insured** under a contract or agreement, except a professional services contract or agreement.

(d) To liability arising out of any act or omission which violates any statute, ordinance or regulation imposing a penalty for criminal offenses;

(e) To liability of the **insured** arising out of sexual activity, whether under the guise of treatment or not; but this exclusion shall not apply to liability of the **insured** arising out of sexual activity by any other person for whose acts or omissions the **insured** is legally responsible;

(f) To any obligation for which the **insured** or any carrier as his insurer may be held liable under any worker's compensation, unemployment compensation, disability benefits, or any similar law; or

(g) With respect to any **insured** who is required by law to be licensed in order to practice his/her profession, to liability arising out of any act or omission of such **insured** which 1) occurs either while such **insured** is not licensed or during any time such **insured's** license to practice his/her profession has expired or has been suspended, revoked, voluntarily surrendered, or 2) constitutes a violation of any restriction imposed upon such license.

SECTION 3. PERSONS INSURED

Each of the following is an **insured** to the extent set forth below:

Under Coverage A - Individual Professional Liability:

(a) The **named insured**;

(b) Any professional corporation or professional association solely owned by the **named insured**, but only if the same corporation or association is not an **insured** under any other policy issued by the Company;

(c) Any non-extender employee of (a) or (b) above, while acting within the scope of his/her duties as such.

Under Coverage B - Partnership, Professional Corporation, PLLC or Professional Association Liability:

(a) If the **named insured** is designated in the **declarations** as a partnership, the partnership so designated and any partner thereof with respect to acts or omissions of others, provided that no partner is insured under Coverage B with respect to liability for his own acts or omissions.

(b) If the **named insured** is designated in the **declarations** as a professional corporation, PLLC or professional association, the corporation, company or the association so designated and any executive officer, director, or shareholder thereof while acting within the scope of his/her duties as such, provided that no such person is insured under Coverage B with respect to liability for his own acts or omissions.

(c) Any **non-extender employee** of (a) or (b) above, while acting within the scope of his/her duties as such.

Under Coverage C - Extender Employee Professional Liability:

Any **extender employee** for whom a premium charge has been made, provided that such **extender employee** is covered only while employed by the **named insured** (or any professional corporation or professional association solely owned by the **named insured**) and acting within the scope of such employment.

SECTION 4. LIMITS OF LIABILITY

Under Coverages A and B:

The limit of liability stated in the **declarations** as to each **medical incident** is the total of the Company's liability for **damages** resulting from any one **medical incident.** The limit of liability stated in the declarations as "annual aggregate" is the total limit of the Company's liability for damages resulting from all medical incidents which are first reported during the policy period. The limit of liability shall apply regardless of:

(a) the number of persons or entities claiming damages arising out of a medical incident;

(b) the number of claims or suits brought on account of a medical incident;

(c) the number of **insureds** under this policy; or

(d) the inclusion of an additional **insured**.

If the **named insured** applies for a reporting endorsement in accordance with Section 8 of this policy, the limit of liability stated in the **declarations** as "each **medical incident**" at the time the policy is terminated is the limit of the Company's liability for damages resulting from any one **medical incident** which is first reported during the **reporting period**. The limit of liability stated in the declarations as "annual aggregate" is the total limit of the Company's liability for damages resulting from all **medical incidents** first reported during each successive annual time of the reporting period.

Under Coverage C:

The limit of liability for each covered **extender employee** stated in the **declarations** as "each **medical incident**" is the total of the Company's liability for damages resulting from any one **medical incident**. The limit of liability stated in the declarations as "annual aggregate" is the total limit of the Company's liability for damages resulting from all **medical incidents** which are first reported during the **policy period**. The limit of liability for each covered **extender employee** shall apply regardless of:

(a) the number of persons or entities claiming damages arising out of a **medical incident**; or

(b) the number of claims or suits brought on account of a **medical incident**.

Under Coverages A, B and C:
The Company shall have the right to allocate **damages** among or supplementary payments among claimants, **insureds**, and policies as it deems appropriate and reasonable.

SECTION 5. DEFINITIONS

When used in this policy:

Approved counsel means the attorney or firm of attorneys approved by the Company to defend the **named insured** in any **covered investigation.**

Covered investigation means:

(1) an investigation or proceeding commenced by the governmental or regulatory agency charged with determining whether the **named insured** participated in the improper transfer of a patient ("dumping"), in violation of the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended ("COBRA");

(2) an investigation or proceeding commenced by the governmental or regulatory agency charged with the enforcement of compliance of laws regulating Medicare or Medicaid (or other federal or state health care program offered as an alternative to Medicare or Medicaid), to determine whether the **named insured** provided professional services improperly to a patient covered by Medicare or Medicaid (or other federal or state health care program offered as an alternative to Medicare or Medicaid);

(3) an investigation or proceeding commenced by a **Utilization and Quality Control Peer Review Organization** (PRO), but only at the level of such investigation or proceeding in which sanctions may be imposed on the **named insured**;

(4) an investigation or proceeding commenced by the government or regulatory agency charged with the enforcement of compliance of regulations pertaining to the Clinical Laboratory Improvement Amendments Act of 1988 ("CLIA"), and whether or not the **named insured** was in violation of such regulations;

(5) an investigation or proceeding commenced by the government or regulatory agency charged with the enforcement of compliance of regulations pertaining to the Omnibus Budget Reconciliation Act of 1990 ("OBRA'90"), and whether or not the **named insured** was in violation of such regulations;

(6) an investigation or proceeding commenced by the government or regulatory agency charged with the enforcement of compliance with regulations pertaining to the Occupational Safety and Health Administration ("OSHA") blood borne pathogens regulations, and whether or not the **named insured** was in violation of such regulations;

Damages means all amounts of money which are payable because of **injury** to which this insurance applies.

Declarations means the Medical Professional Insurance Policy **declarations** forming a part of this policy.

Extender employee means any person whose duties include the prevention, diagnosis and treatment of illness or injury, or the rendering or care during pregnancy, labor and/or delivery, and who substantially extends the practice of the **insured**, including, but not limited to, nurse anesthetists, nurse midwives, nurse practitioners, graduate physicians assistants, psychologists, and optometrists. This definition does not include any physician, surgeon, dentist, oral surgeon, podiatrist or chiropractor.

Injury means any injury, including, but not limited to, bodily injury, death, libel, slander, defamation of character, breach of confidentiality or invasion of privacy.

Insured, insureds, and **insured's** means:

(a) the **named insured**, or

(b) any other person or organization included in Section 3, "Persons Insured"

Legal expenses means the normal, reasonable and customary charges of the **approved counsel** in defending the **named insured** in any **covered investigation**, including reasonable out-of-pocket expenses incurred by such **approved counsel**. **Legal expenses** does not include expenses incurred by the **named insured** for any **damages**, fines, judgments, or penalties which may be assessed in any **covered investigation** or paid in any settlement thereof.

Medical incident means:

(a) a single act or omission or a series of related acts or omissions which results, or is likely to result, in **damages** arising out of the rendering of, or failure to render, **professional services** to any one person by the **insured**, or by any person for whose acts or omissions the **insured** is legally responsible; or

(b) a single act or omission or a series of related acts or omissions by the **insured** during the performance of **peer review services** which results, or is likely to result, in **damages**.

For purposes of this definition, a continuing course of treatment or repeated exposure to substantially the same general conditions constitutes a single **medical incident**.

Modified claims-made, as applicable to Coverages A and B, means that, as a condition of coverage, a **medical incident** must arise from the rendering of or failure to render **professional services** or the performance of **peer review services** after the **retroactive date** and must be first **reported** to the Company during the **policy period**. Upon termination of the policy, a reporting endorsement providing an additional **reporting period** may be purchased in accordance with Section 8 of this policy. The premium for this endorsement will be waived in the event of the **named insured's** death, permanent disability, or **retirement**.

Named insured means the person, firm, or corporation designated as such in the **declarations**.

Non-extender employee means any employee of the insured who does not substantially extend the practice of the **insured**. This definition does not include any physician, surgeon, dentist, oral surgeon, podiatrist, chiropractor or **extender employee**.

Peer review services means service by the **insured** in reviewing professional standards, reviewing utilization of professional services, evaluating and/or improving quality of care and reviewing the qualification, credentials, and/or competence of any healthcare provider. Such **peer review services** specifically include service by the **insured** on any board, committee or program of the Company relating to peer review.

Policy period means the period specified in Item 2 of the **declarations**.

Professional services means the providing of medical services, including medical treatment, making medical diagnoses or rendering medical opinions or medical advice.

Professional services contract means a contract in which the **insured** agrees to indemnify or hold harmless a hospital, healthcare organization, provider network, managed care plan or other similar healthcare organization for losses and/or defense costs resulting from the alleged sole negligence of the **insured** arising out of a **medical incident**.

Report, reported, and **reporting** means when used with respect to a **medical incident**, the giving by the **insured** or a representative authorized by the **insured** of notice of such **medical incident** either in writing or by telephone to the Company, and the Company's receipt of such notice, specifying the reason the **medical incident** has resulted, or is likely to result, in **damages** or a claim or suit.

Reporting period means the period of time stated in the reporting endorsement for the reporting of **medical incidents**.

Retirement means the conclusion of and complete withdrawal from one's working or professional career.

Retroactive date means the retroactive date as specified in the **declarations**.

Utilization and Quality Control Peer Review Organization (PRO) means a utilization and quality control peer review organization under contract with the U.S. Department of Health and Human Services to review professional activities of physicians and other healthcare practitioners and providers under the federal Social Security Act, as amended, while acting within the scope of its duties under such contract.

SECTION 6. POLICY TERRITORY

This insurance applies to **medical incidents** arising out of **professional services** or **peer review services** rendered, or which should have been rendered, anywhere in the world, provided that any suit arising therefrom is brought within the United States of America, its territories, or possessions.

SECTION 7. SUPPLEMENTARY PAYMENTS

The Company will pay the following expenses separate from the applicable limit of liability:

(a) all expenses incurred by the Company, all costs and taxes against the **insured** in any suit defended by the Company, and all interest on the entire amount of any judgment therein which accrues after entry of judgment and before the Company has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the Company's liability thereon,

(b) premiums on appeal bonds required in any suit defended by the Company and premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this policy, but the Company shall have no obligation to apply for or furnish any such bond;

(c) reasonable travel and lodging expenses incurred by any physician insured under this policy and up to $500 per day for loss of time for each day such physician is required to attend the trial of a civil suit for **damages** in a cause of action covered hereunder, and

(d) **legal expenses** incurred during the **policy period** by the **named insured** arising out of a **covered investigation**, provided that:

  (1) the **medical incident(s)** giving rise to the **covered investigation** occurred after the **retroactive date** and prior to termination of this policy, and

  (2) such **legal expenses** are subject to a limit of $25,000 per **covered investigation** and $25,000 annual aggregate.

SECTION 8. REPORTING ENDORSEMENT PROVISION
An automatic 60-day extended reporting period is provided at no additional charge to the insured upon cancellation or termination of the policy by either the insured or the insurer.

In the event of termination of this insurance, either by non-renewal or cancellation of the policy, at termination of the automatic 60-day extended reporting period, the **named insured** shall have the option, upon the payment of an additional premium (to be computed in accordance with the Company's rules, rates, rating plan and premiums applicable on the most recent policy effective date), to have issued an endorsement providing an indefinite **reporting period** in which **medical incidents** otherwise covered by the policy may be **reported**. Such option hereunder must be exercised by the **named insured** by written notice to the Company not later than 60 days after such termination.

The limit of liability in the policy aggregate for the extended reporting period shall be no less than the greater of the amount of coverage remaining in the expiring policy aggregate or fifty percent (50%) of the aggregate at policy inception.

Notwithstanding the foregoing, a permanent reporting endorsement shall be issued automatically and without payment or any additional premium in case the termination of the insurance results from:

(a) the death of the **named insured**;

(b) the **retirement** of the **named insured** from the practice of medicine; or

(c) the permanent and total disability of the **named insured** to carry on the professional activity or endeavor in which he/she was theretofore engaged.

GENERAL CONDITIONS

SECTION 1. PREMIUM
All premiums for this policy shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

SECTION 2. INSPECTION
The Company shall be permitted, but not obligated, to inspect the **insured's** property and operations at any time. Neither the Company's right to make inspections nor the making thereof nor any reports therein shall constitute an undertaking on behalf of or for the benefit of the **insured** or other, to determine or warrant that such property or operations are safe, healthful or in compliance with any law, rule or regulation.

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replacement page

SECTION 8. REPORTING ENDORSEMENT PROVISION

An automatic sixty-day extended reporting period is provided at no additional charge to the insured upon cancellation or termination of the policy by either the insured or the insurer.

In the event of termination of this insurance, either by non-renewal or cancellation of the policy, at termination of the automatic 60-day extended reporting period, the **named insured** shall have the right, upon the payment of an additional premium (to be computed in accordance with the Company's rules, rates, rating plan and premiums applicable on the most recent policy effective date), to have issued an endorsement providing an indefinite **reporting period** in which **medical incidents** otherwise covered by the policy may be **reported**. Such right hereunder is contingent upon the **named insured's** payment in full of all premiums earned during the policy period and must be exercised by the **named insured** by written notice to the Company not later than thirty (30) days after such termination.

The limit of liability in the policy aggregate for the extended reporting period shall be no less than the greater of the amount of coverage remaining in the expiring policy aggregate or fifty percent (50%) of the aggregate at policy inception.

Notwithstanding the foregoing, a permanent reporting endorsement shall be issued automatically and without payment of any additional premium in case the termination of the insurance results from:

(a) the death of the **named insured**;

(b) the **retirement** of the **named insured** from the practice of medicine; or

(c) the permanent and total disability of the **named insured** to carry on the professional activity or endeavor in which he/she was theretofore engaged.

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GENERAL CONDITIONS

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All premiums for this policy shall be computed in accordance with the Company's rules, rates, rating plans, premiums and minimum premiums applicable to the insurance afforded herein.

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The Company shall be permitted, but not obligated, to inspect the **insured's** property and operations at any time. Neither the Company's right to make inspections nor the making thereof nor any reports therein shall constitute an undertaking on behalf of or

Glückliche Reise
Ihr Ludwig Wittgenstein

for the benefit of the **insured** or other, to determine or warrant that such property or operations are safe, healthful or in compliance with any law, rule or regulation.

SECTION 3. INSURED'S DUTIES TO REPORT AND COOPERATE

(a) When the **insured** becomes aware of any alleged **medical incident** to which this policy applies, the **insured** or his/her representative must report the circumstances to the Company by telephone or in writing as soon as practicable. **Medical Incidents** covered in this policy shall be **reported** as provided herein.

(b) The **insured** shall cooperate with the Company and, upon the Company's request, assist (1) in making settlements, (2) in the conduct of suits, and (3) in enforcing any right of contribution or indemnity against any person or organization who may be liable to the **insured** because of injury with respect to which insurance is afforded under the policy. The **insured** shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The **insured** shall not, except at his/her own cost, voluntarily make any payment, assume any obligation, or incur any expenses. The **insured** shall not, without the Company's consent, carry on any negotiations with any person, his/her representative, or entity, asserting a claim or maintaining a suit against the **insured**.

(c) If claim is made or suit is brought against the **insured**, the **insured** shall immediately forward to the Company every demand, notice, summons or other process received by him/her or his/her representative.

(d) The **insured** shall not alter patient records or otherwise misrepresent or conceal facts pertinent to any **medical incident**, claim or suit.

If the **insured** fails to comply with his/her obligations under this policy, the Company's obligations to the Insured under this policy shall terminate, including any liability or obligation to defend, prosecute or continue any litigation.

SECTION 4. ACTION AGAINST THE COMPANY

No action shall lie against the Company unless, as a condition precedent thereto, shall have been full compliance with all of the terms of this policy, nor until the amount of the **Insured's** obligation to pay shall have been finally determined either by judgment against an **Insured** after actual trial or by written agreement of the **Insured**, the claimant, and the Company. Any person or organization or the legal representative thereof who has secured such judgment or written agreement shall thereafter be entitled to recover under this policy to the extent of the insurance afforded by this policy. No person or organization shall have any right under this policy to join the Company as a party to any action against an **insured** to determine the **insured's** liability,

nor shall the Company be impeded by an **insured** or his legal representative. Bankruptcy or insolvency of the **insured** or of the **insured's** estate shall not relieve the Company of any of its obligations hereunder.

SECTION 5. OTHER INSURANCE

The following provisions shall apply when other insurance is available to the **insured**:

(a) Except as provided in (b) and (c) below, this insurance is primary

(b) With respect to loss and any duty to defend, arising from **peer review services** (other than **peer review services** performed on behalf of the Company) the insurance provided by this policy shall apply in excess over any other valid and collectible insurance, self-insurance fund, agreement of indemnification or any other form of protection.

(c) When both this insurance and other insurance apply to the same loss on the same basis, whether primary, excess or contingent, the Company shall not be liable under this policy for a greater proportion of that loss than stated in applicable contribution provisions below:

(1) If all of such other valid and collectible insurance provides for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than would be payable if each insurer contributes an equal share until the share of each insurer equals the lowest applicable limit of liability under any one policy or the full amount of loss is paid, and with respect to any remaining amount of loss not so paid, the remaining insurers then continue to contribute in equal shares of the remaining amount of the loss until each insurer has paid its limit in full or the full amount of the loss is paid.

(2) If any such other insurance does not provide for contribution by equal shares, the Company shall not be liable for a greater proportion of such loss than the applicable limit of liability under this policy for such loss bears to the applicable limit of liability of all valid and collectible insurance against such loss.

SECTION 6. SUBROGATION

In the event of any payment under this policy, the Company shall be subrogated to all the **insured's** rights of recovery therefore against any person or organization, the **insured** shall execute and deliver instruments and papers and do whatever else is necessary to secure such right including, but not limited to, giving testimony in open court. The **insured** shall do nothing after loss to prejudice such right.

SECTION 7. ASSIGNMENT

Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon. If, however, the **insured** shall die, such insurance as afforded by this policy shall apply (a) to the **insured's** legal representative, as the **insured**, but only while acting within the scope of his duties as such, and (b) with respect to the property of the **insured**, to the person having proper temporary custody thereof, as **insured**, but only until the appointment and qualification of the legal representative.

SECTION 8. CHANGES

Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or change in any part of this policy or stop the Company from asserting any right under the terms of this policy; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy.

SECTION 9. CANCELLATION

This policy may be canceled by the **named insured** by mailing to the Company written notice stating when thereafter the cancellation shall be effective. The policy may be canceled by the Company by mailing the **named insured**, at the address shown in this policy, written notice stating when not less than 30 days (10 days for non-payment of premium) thereafter such cancellation shall be effective.

The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall become the end of the policy period. Delivery of such written notice either by the **named insured** or by the Company shall be equivalent to mailing.

If the **named insured** cancels the policy, earned premium shall be computed in accordance with the customary short-rate table and procedure. If the Company cancels, earned premium shall be computed pro rata. Premium adjustment may be made either at the time cancellation is effected or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of cancellation.

After this policy has been in effect over 60 days, or if this is a renewal policy, the Company shall not cancel the policy unless the cancellation is based upon at least one of the following conditions:

(a) Non-payment of premium;

(b) Fraud or material misrepresentation made by or with the knowledge of the **named insured** in obtaining the policy, or in presenting a claim under the policy;

(c) The occurrence of a material change in the risk which substantially increases any hazard insured against after policy issuance;

(d) A material violation of a material provision of the policy; or

(e) The suspension, surrender or revocation the **named insured's** license to practice medicine.

The following loss information shall be provided to the **named insured** within 30 days of the insured's request and within 15 days after notice of cancellation or non-renewal is issued:

(a) description of closed claims including the date and description of occurrence, amount of payments, if any;

(b) description of open claims including the date and description of occurrence, amount of payments, if any, and an estimate of reserves, if any; and

(c) information regarding notices of occurrence including the date and an estimate of reserves, if any.

SECTION 10. RENEWAL OF POLICY

Neither the **named insured** nor the Company has any obligation to renew this policy. Any renewal will be on the policy forms, **declarations** and endorsements then in effect. The Company may affect renewal by issuing renewal **declarations** specifying an additional policy period or by offering a new policy. If the **named insured** rejects the Company's offer of renewal, either by failure to pay the premium within 45 days from the effective date of such renewal or by written notice received by the Company, then such renewal coverage shall be ineffective and void as of its effective date.

SECTION 11. DECLARATIONS

By acceptance of this policy, the **insured** agrees that the statements in the **declarations** and in his application or renewal application for insurance are his/her agreements and representations, that this policy is issued in reliance upon the truth of such representations, and that this policy embodies all agreements existing between himself/herself and the Company or any of its agents relating to this insurance. In the event of any fraud, material misrepresentation or omission by the **insured** in his/her application or renewal application for insurance, or related communication, this policy is void; no coverage is afforded hereby, and the **insured** shall have no right to purchase a reporting endorsement under Section 8.

SECTION 12. DEFINITIONS

Terms which may appear in the General Conditions of this policy in **bold face print** shall have the meanings given in Section 5 of the Professional Liability Insurance portion of this policy.

SECTION 13. MUTUAL POLICY CONDITIONS

The Company is a mutual insurance company and as such is owned by its members. Each individual physician policyholder shall be considered a single member with a single vote at membership meetings irrespective of the number or the size of the policies he/she may hold or the amount of premium paid. He/she shall remain a member of the Company during the period any such policy is current and in force. A former policyholder is not a member irrespective of whether he/she was issued a reporting endorsement at the time his/her policy terminated.

The annual meeting of members will be held at such a place in Arkansas and at such time in March or April of each year as the Board of Directors may designate. The members of the Company may attend the annual meeting and any special meetings of members in person or by proxy, and at the annual meeting will elect members of the Board of Directors of the Company as well as vote on any other business before the meeting. Each member is bound by the Charter and Bylaws of the Company.

SECTION 14. LIBERALIZATION

If, during the **policy period**, the Company adopts, in conformity with law, any changes in the form of this policy by which this insurance could be extended or broadened without increased premium charge by endorsement or substitution of form, then such extended or broadened insurance shall inure to the benefit of the **insured** hereunder as though such endorsement or substitution of form has been made.

IN WITNESS WHEREOF, Arkansas Mutual Insurance Company has caused this policy to be signed by its President and Secretary at Little Rock, AR.

Secretary

President

Under Section 23-79-138 of the Arkansas Insurance Code, insurance policies are required to be accompanied by notice of the name, address and telephone number of the Arkansas Insurance Department.

Arkansas Insurance Department
1200 West Third Street
Little Rock, AR 72201

Telephone: 501.371.2600